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DEPARTMENT OF COMMERCE

International Trade Administration

(A-520-803)

Polyethylene Terephthalate Film, Sheet, and Strip from the United Arab Emirates: Negative Final Determination of Circumvention of the Antidumping Duty Order

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: On May 7, 2015, the Department of Commerce (the Department) published the negative preliminary determination of circumvention of the antidumping duty order¹ on polyethylene terephthalate film, sheet, and strip (PET film) from the United Arab Emirates (UAE).² We continue to determine that imports of PET film produced by JBF Bahrain S.P.C. (JBF Bahrain) in the Kingdom of Bahrain (Bahrain) are not circumventing the <u>Order</u>, pursuant to section 781(b) of the Tariff Act of 1930, as amended (the Act) and 19 CFR 351.225(h).

DATES: Effective date: (Insert the date of the publication of the <u>Federal Register</u>).

FOR FURTHER INFORMATION CONTACT: Andrew Huston, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4261.

¹ <u>See Polyethylene Terephthalate Film, Sheet, and Strip From Brazil, the People's Republic of China and the United Arab Emirates: Antidumping Duty Orders and Amended Final Determination of Sales at Less Than Fair Value for the United Arab Emirates, 73 FR 66595 (November 10, 2008) (Order).</u>

² <u>See Preliminary Negative Determination of Circumvention of the Antidumping Order on Polyethylene</u>
<u>Terephthalate Film, Sheet, and Strip from the United Arab Emirates</u>, 80 FR 26229 (May 7, 2015) (<u>Preliminary Determination</u>), and the accompanying Preliminary Decision Memorandum.

SUPPLEMENTARY INFORMATION:

Background

On July 29, 2014, the Department initiated an anti-circumvention inquiry of the antidumping duty order on PET film from the UAE, pursuant to section 781(b) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.225(h).³ On May 7, 2015, the Department published the <u>Preliminary Determination</u> in the Federal Register. The Department invited interested parties to comment on the <u>Preliminary Determination</u>. On June 8, 2015, Polyplex USA LLC and FLEX USA, Inc. (Domestic Parties) and JBF Bahrain submitted timely case briefs. On June 10, 2015, the Department sent a letter to Domestic Parties, noting certain deficiencies in Domestic Parties' submission, and requesting that Domestic Parties resubmit their case brief. Domestic Parties timely resubmitted their case brief on June 11, 2015. On June 15, 2015, Domestic Parties, and DuPont Teijin Films, Mitsubishi Polyester Film Inc., and SKC, Inc. (collectively, Petitioners), filed timely rebuttal briefs. On June 18, 2015, JBF Bahrain submitted a timely rebuttal brief. On July 9, 2015, pursuant to 19 CFR 351.310, the Department held a public hearing, following a timely request by Domestic Parties.

Scope of the Order

The products covered by the order are all gauges of raw, pre-treated, or primed polyethylene terephthalate film, whether extruded or co-extruded. Excluded are metallized films and other finished films that have had at least one of their surfaces modified by the application of a performance-enhancing resinous or inorganic layer more than 0.00001 inches thick. Also excluded is roller transport cleaning film which has at least one of its surfaces modified by

³ <u>See Polyethylene Terephthalate Film, Sheet, and Strip the United Arab Emirates: Initiation of Anti-Circumvention Inquiry on Antidumping Duty Order,</u> 79 FR 44006 (July 29, 2014).

application of 0.5 micrometers of SBR latex. Tracing and drafting film is also excluded. Polyethylene terephthalate film is classifiable under subheading 3920.62.00.90 of the Harmonized Tariff Schedule of the United States (HTSUS). While HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of the order is dispositive.

Scope of the Anti-Circumvention Inquiry

This anti-circumvention inquiry covers PET film produced in Bahrain by JBF Bahrain from inputs (PET chips and silica chips) manufactured in the UAE, and that is subsequently exported from Bahrain to the United States.

Analysis of Comments Received

All issues raised in the comments by parties in this proceeding are addressed in the Issues and Decision Memorandum.⁴ A list of the issues which the parties raised, to which the Department has responded in the Issues and Decision Memorandum is attached to this notice as Appendix 1. The Issues and Decision Memorandum is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System ("ACCESS"). ACCESS is available to registered users at http://access.trade.gov, and it is available to all parties in the Central Records Unit in room B8024 of the main Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at http://enforcement.trade.gov/frn/. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

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⁴ <u>See</u> Memorandum to Ronald K. Lorentzen, Acting Assistant Secretary for Enforcement and Compliance, from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, "Polyethylene Terephthalate Film, Sheet, and Strip from the United Arab Emirates: Decision Memorandum for the Final Determination of Anti-Circumvention Inquiry of the Antidumping Duty Order" (Issues and Decision Memorandum), dated concurrently with this determination and hereby adopted by this notice.

Negative Final Determination of Circumvention

In the Preliminary Determination, the Department preliminarily determined that the

process of completion or assembly of PET film produced by JBF Bahrain in Bahrain is not minor

or insignificant, within the meaning of section 781(b)(2) of the Act. After reviewing comments

from interested parties, we continue to find that the process of completion or assembly is not

minor or insignificant. Therefore the Department determines that PET film produced by JBF

Bahrain, exported from Bahrain to the United States, is not circumventing the Order.

Notification Regarding Administrative Protective Orders

This notice is the only reminder to parties subject to the administrative protective order

(APO) of their responsibility concerning the return or destruction of proprietary information

disclosed under the APO in accordance with 19 CFR 351.305(a)(3), which continues to govern

business proprietary information in this segment of the proceeding. Timely written notification of

the return or destruction of APO materials, or conversion to judicial protective order, is hereby

requested. Failure to comply with the regulations and the terms of an APO is a sanctionable

violation.

This negative final circumvention determination is published in accordance with section

781(b) of the Act and 19 CFR 351.225.

Dated: July 31, 2015.

Ronald K. Lorentzen

Acting Assistant Secretary

for Enforcement and Compliance

APPENDIX 1

List of Issues Discussed in the Issues and Decision Memorandum

- Comment 1: Whether JBF Bahrain has taken deliberate action to circumvent the <u>Order</u>
 Comment 2: Whether JBF Bahrain's process of completion or assembly is substantial or significant under Section 781(b)(2) of the Act

 Comment 2: Whether the value of the more handies produced in the order country is a
- Comment 3: Whether the value of the merchandise produced in the order country is a significant portion of the total value of the merchandise exported to the United States under Section 781(b)(1)(D) of the Act
- Comment 4: Completion by JBF Bahrain from parts or components produced in the UAE under Section 781(b)(1)(B) of the Act
- Comment 5: Whether record evidence shows that Domestic Parties are interested parties

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